

Senate File 368 - Introduced

SENATE FILE 368

BY ROZENBOOM

A BILL FOR

1 An Act relating to the redemption of and payment of refund
2 value on beverage containers, making appropriations,
3 providing penalties, and including effective date
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

FUTURE CHANGES TO CURRENT BEVERAGE CONTAINER CONTROL LAW

Section 1. Section 455C.1, subsections 1 and 6, Code 2021, are amended to read as follows:

1. "*Beverage*" means wine as defined in section 123.3, subsection 54, alcoholic liquor as defined in section 123.3, subsection 5, beer as defined in section 123.3, subsection 7, high alcoholic content beer as defined in section 123.3, subsection 22, canned cocktail as defined in section 123.3, subsection 11, mineral water, soda water, and similar carbonated soft drinks in liquid form and intended for human consumption.

6. "*Dealer agent*" means a person who solicits or picks up empty beverage containers from a participating dealer for the purpose of returning the empty beverage containers to a distributor or manufacturer.

Sec. 2. Section 455C.1, Code 2021, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. "*Participating dealer*" means a dealer who accepts the return of empty beverage containers from a consumer.

Sec. 3. Section 455C.2, Code 2021, is amended to read as follows:

455C.2 Refund values.

1. A refund value of ~~not less than~~ five cents shall be paid by the consumer on each beverage container sold in this state by a dealer for consumption off the premises. Upon return of the empty beverage container upon which a refund value has been paid to ~~the~~ a participating dealer or ~~person operating~~ a redemption center and acceptance of the empty beverage container by the participating dealer or ~~person operating a~~ redemption center, the participating dealer or ~~person operating~~ a redemption center shall return the amount of the refund value to the consumer.

2. In addition to the refund value provided in subsection 1

1 of ~~this section~~, a participating dealer, or ~~person operating a~~
 2 redemption center, ~~who redeems empty beverage containers or a~~
 3 dealer agent shall be reimbursed ~~by the distributor required~~
 4 ~~to accept the empty beverage containers pursuant to section~~
 5 455C.11 an amount ~~which that~~ is one cent per container. A
 6 ~~dealer, dealer agent, or person operating a redemption center~~
 7 ~~may compact empty metal beverage containers with the approval~~
 8 ~~of the distributor required to accept the containers.~~

9 Sec. 4. Section 455C.3, subsections 1, 2, and 4, Code 2021,
 10 are amended to read as follows:

11 1. A participating dealer shall not refuse to accept from
 12 a consumer any empty beverage container of the kind, size and
 13 brand sold by the participating dealer, or refuse to pay to the
 14 consumer the refund value of a beverage container as provided
 15 under section 455C.2.

16 2. A distributor shall accept and pick up from a
 17 participating dealer served by the distributor or a redemption
 18 center for a dealer served by the distributor at least weekly,
 19 or when the distributor delivers the beverage product if
 20 deliveries are less frequent than weekly, any empty beverage
 21 container of the kind, size, and brand sold by the distributor,
 22 and shall pay to the participating dealer or ~~person operating~~
 23 a redemption center the refund value of a beverage container
 24 and the reimbursement as provided under section 455C.2 within
 25 one week following pickup of the containers or when the
 26 participating dealer or redemption center normally pays the
 27 distributor for the deposit on beverage products purchased from
 28 the distributor if less frequent than weekly. A distributor
 29 or employee or agent of a distributor is not in violation
 30 of this subsection if a redemption center is closed when the
 31 distributor attempts to make a regular delivery or a regular
 32 pickup of empty beverage containers. This subsection does
 33 not apply to a distributor selling alcoholic liquor to the
 34 alcoholic beverages division of the department of commerce.

35 4. A distributor shall accept from a dealer agent any empty

1 beverage container of the kind, size, and brand sold by the
 2 distributor and ~~which~~ that was picked up by the dealer agent
 3 from a participating dealer within the geographic territory
 4 served by the distributor and the distributor shall pay the
 5 dealer agent the refund value of the empty beverage container
 6 and the reimbursement as provided in [section 455C.2](#).

7 Sec. 5. Section 455C.4, Code 2021, is amended to read as
 8 follows:

9 **455C.4 Refusal to accept containers.**

10 1. Except as provided in [section 455C.5, subsection 3](#),
 11 a participating dealer, ~~a person operating a~~ or redemption
 12 center, ~~a distributor or a manufacturer~~ may refuse to accept
 13 any empty beverage container ~~which~~ that does not have stated on
 14 it a refund value as provided under [section 455C.2](#).

15 2. A dealer may refuse to accept and to pay the refund value
 16 of any empty beverage container ~~if the place of business of the~~
 17 ~~dealer and the kind and brand of empty beverage containers are~~
 18 ~~included in an order of the department approving a redemption~~
 19 ~~center under [section 455C.6](#) if a redemption center is located~~
 20 within a twenty-mile radius of the dealer.

21 ~~3. A dealer or a distributor may refuse to accept and to pay~~
 22 ~~the refund value of an empty wine or alcoholic liquor container~~
 23 ~~which is marked to indicate that it was sold by a state liquor~~
 24 ~~store. The alcoholic beverages division shall not reimburse~~
 25 ~~a dealer or a distributor the refund value on an empty wine or~~
 26 ~~alcoholic liquor container which is marked to indicate that the~~
 27 ~~container was sold by a state liquor store.~~

28 ~~4.~~ 3. A class "E" liquor control licensee may refuse to
 29 accept and to pay the refund value on an empty alcoholic liquor
 30 container from a participating dealer or a redemption center
 31 or from a person acting on behalf of or who has received empty
 32 alcoholic liquor containers from a participating dealer or a
 33 redemption center.

34 ~~5.~~ 4. A manufacturer or distributor may refuse to accept
 35 and to pay the refund value and reimbursement as provided in

1 section 455C.2 on any empty beverage container that was picked
2 up by a dealer agent from a participating dealer outside the
3 geographic territory served by the manufacturer or distributor.

4 Sec. 6. Section 455C.5, subsection 1, Code 2021, is amended
5 to read as follows:

6 1. Each beverage container sold or offered for sale in
7 this state by a dealer shall clearly indicate the refund value
8 of the container by embossing or by a stamp, label, or other
9 method securely affixed to the container, ~~the refund value of~~
10 ~~the container~~. The department shall specify, by rule, the
11 minimum size of the refund value indication on the beverage
12 containers.

13 Sec. 7. Section 455C.12, subsection 2, Code 2021, is amended
14 to read as follows:

15 2. A distributor who collects or attempts to collect
16 a refund value on an empty beverage container when the
17 distributor has paid the refund value on the container to a
18 participating dealer, redemption center, or consumer is guilty
19 of a fraudulent practice.

20 Sec. 8. Section 455C.12, subsection 3, paragraphs a and b,
21 Code 2021, are amended to read as follows:

22 a. Collects or attempts to collect the refund value on the
23 container a second time, with the knowledge that the refund
24 value has once been paid by the distributor to a participating
25 dealer, redemption center, or consumer.

26 b. Manufactures, sells, possesses, or applies a false or
27 counterfeit label or indication ~~which~~ that shows or purports to
28 show a refund value for a beverage container, with intent to
29 use the false or counterfeit label or indication.

30 Sec. 9. Section 455C.13, Code 2021, is amended to read as
31 follows:

32 **455C.13 ~~Distributors'~~ Collection and disposal agreements**
33 **authorized.**

34 1. A distributor, dealer, or redemption center may enter
35 into a contract or agreement with any other distributor,

1 manufacturer, or person for the purpose of collecting or ~~paying~~
 2 ~~the refund value on, or disposing of,~~ beverage containers as
 3 provided in this chapter.

4 2. For purposes of this chapter, any contracts entered into
 5 pursuant to this section for the collection or disposal of
 6 empty beverage containers shall not be deemed to interfere with
 7 the refund value pursuant to section 455C.2.

8 Sec. 10. Section 455C.14, subsection 1, Code 2021, is
 9 amended to read as follows:

10 1. If the refund value indication required under section
 11 455C.5 on an empty nonrefillable metal beverage container
 12 is readable but the redemption of the container is lawfully
 13 refused by a participating dealer or ~~person operating a~~
 14 redemption center under other sections of this chapter or
 15 rules adopted pursuant to these sections, the container
 16 shall be accepted and the refund value paid to a consumer
 17 as provided in this section. Each beer distributor selling
 18 nonrefillable metal beverage containers in this state shall
 19 provide individually or collectively by contract or agreement
 20 with a dealer, ~~person operating a redemption center,~~ or another
 21 person, at least one facility in the county seat of each county
 22 where refused empty nonrefillable metal beverage containers
 23 having a readable refund value indication as required by
 24 this chapter are accepted and redeemed. In cities having a
 25 population of twenty-five thousand or more, the number of the
 26 facilities provided shall be one for each twenty-five thousand
 27 population or a fractional part of that population.

28 Sec. 11. Section 455C.16, Code 2021, is amended to read as
 29 follows:

30 **455C.16 Beverage containers — disposal at sanitary landfill**
 31 **prohibited.**

32 ~~Beginning July 1, 1990, the~~ The final disposal of beverage
 33 containers ~~by a dealer, distributor, or manufacturer, or~~
 34 ~~person operating a redemption center, in a sanitary landfill,~~
 35 ~~is prohibited.~~ Beginning September 1, 1992, including the

1 final disposal of beverage containers that used to contain
 2 alcoholic liquor as defined in [section 123.3, subsection 5](#),
 3 by a participating dealer, distributor, ~~or~~ manufacturer, or
 4 ~~person operating a~~ redemption center in a sanitary landfill,
 5 is prohibited.

6 Sec. 12. EFFECTIVE DATE. This division of this Act takes
 7 effect July 1, 2022.

8 DIVISION II

9 REPEAL OF CURRENT BEVERAGE CONTAINER CONTROL LAW

10 Sec. 13. Section 123.24, subsection 2, paragraph d, Code
 11 2021, is amended to read as follows:

12 *d.* A bottle surcharge in an amount sufficient, ~~when~~
 13 ~~added to the amount not refunded to class "E" liquor control~~
 14 ~~licensees pursuant to [section 455C.2](#), to pay the costs incurred~~
 15 by the division for collecting and properly disposing of the
 16 liquor containers. The amount collected pursuant to this
 17 paragraph, ~~in addition to any amounts not refunded to class "E"~~
 18 ~~liquor control licensees pursuant to [section 455C.2](#), shall be~~
 19 deposited in the beer and liquor control fund established under
 20 section 123.17.

21 Sec. 14. Section 123.26, Code 2021, is amended to read as
 22 follows:

23 **123.26 Restrictions on sales — seals — labeling.**

24 Alcoholic liquor shall not be sold by a class "E" liquor
 25 control licensee except in a sealed container with identifying
 26 markers as prescribed by the administrator and affixed in the
 27 manner prescribed by the administrator, and no such container
 28 shall be opened upon the premises of a state warehouse. The
 29 ~~division shall cooperate with the department of natural~~
 30 ~~resources so that only one identifying marker or mark is needed~~
 31 ~~to satisfy the requirements of [this section](#) and [section 455C.5,](#)~~
 32 ~~subsection 1.~~ Possession of alcoholic liquors ~~which~~ that do
 33 not carry the prescribed identifying markers is a violation of
 34 this chapter except as provided in [section 123.22](#).

35 Sec. 15. Section 123.187, subsection 3, paragraph e, Code

1 2021, is amended by striking the paragraph.

2 Sec. 16. Section 423.6, subsection 3, paragraph a, Code
3 2021, is amended to read as follows:

4 a. Any tangible personal property including containers
5 for which it is intended shall, by means of fabrication,
6 compounding, manufacturing, or germination, become an integral
7 part of other tangible personal property intended to be sold
8 ultimately at retail, ~~and containers used in the collection,~~
9 ~~recovery, or return of empty beverage containers subject to~~
10 ~~chapter 455C.~~

11 Sec. 17. Section 455A.4, subsection 1, paragraph b, Code
12 2021, is amended to read as follows:

13 b. Provide overall supervision, direction, and coordination
14 of functions to be administered by the administrators under
15 chapters 321G, 321I, 455B, 455C, 456A, 456B, 457A, 458A, 459,
16 459A, 459B, 461A, 462A, 462B, 464A, 465C, 473, 481A, 481B,
17 483A, 484A, and 484B.

18 Sec. 18. Section 455A.6, subsection 6, paragraphs a, b, and
19 d, Code 2021, are amended to read as follows:

20 a. Establish policy for the department and adopt rules,
21 pursuant to chapter 17A, necessary to provide for the effective
22 administration of chapter 455B, ~~455C,~~ or 459.

23 b. Hear appeals in contested cases pursuant to chapter 17A
24 on matters relating to actions taken by the director under
25 chapter ~~455C,~~ 458A, 464B, or 473.

26 d. Approve the budget request prepared by the director
27 for the programs authorized by chapters 455B, ~~455C,~~ 455E,
28 455F, 455H, and 459, subchapters II and III. The commission
29 shall approve the budget request prepared by the director for
30 programs subject to the rulemaking authority of the commission.
31 The commission may increase, decrease, or strike any item
32 within the department budget request for the specified programs
33 before granting approval.

34 Sec. 19. Section 455B.313, subsection 1, Code 2021, is
35 amended to read as follows:

1 1. A distributor ~~as defined in section 455C.1, subsection~~
2 ~~9,~~ shall not sell or offer to sell any beverage container
3 if the beverage container is connected to another beverage
4 container by a device constructed of a material ~~which~~ that is
5 not biodegradable or photodegradable.

6 Sec. 20. Section 455B.313, Code 2021, is amended by adding
7 the following new subsection:

8 NEW SUBSECTION. 3. For purposes of this section,
9 "*distributor*" means any person who engages in the sale of
10 beverages in beverage containers to a dealer in this state,
11 as those terms are defined in section 123B.1, including any
12 manufacturer who engages in such sales.

13 Sec. 21. REPEAL. Chapter 455C, Code 2021, is repealed.

14 Sec. 22. EFFECTIVE DATE. This division of this Act takes
15 effect January 1, 2023.

16 DIVISION III

17 NEW BEVERAGE CONTAINER CONTROL LAW

18 Sec. 23. NEW SECTION. 123B.1 Definitions.

19 As used in this chapter, unless the context otherwise
20 requires:

21 1. "*Beverage*" means wine as defined in section 123.3,
22 subsection 54, alcoholic liquor as defined in section 123.3,
23 subsection 5, beer as defined in section 123.3, subsection
24 7, high alcoholic content beer as defined in section 123.3,
25 subsection 22, canned cocktail as defined in section 123.3,
26 subsection 11, and mineral water, soda water, and similar
27 carbonated soft drinks in liquid form and intended for human
28 consumption.

29 2. "*Beverage container*" means any sealed glass, plastic, or
30 metal bottle, can, jar, or carton containing a beverage.

31 3. "*Commission*" means the alcoholic beverages commission
32 established in chapter 123.

33 4. "*Consumer*" means any person who purchases a beverage in a
34 beverage container for use or consumption.

35 5. "*Dealer*" means any person who engages in the sale of

1 beverages in beverage containers to a consumer.

2 6. "*Division*" means the alcoholic beverages division of the
3 department of commerce established in chapter 123.

4 7. "*Redemption center*" means a facility at which consumers
5 may return empty beverage containers and receive payment for
6 the refund value of the empty beverage containers.

7 Sec. 24. NEW SECTION. 123B.2 Refund values — recycling
8 — reimbursement.

9 1. a. A refund value of five cents shall be paid by a
10 consumer to a dealer on each beverage container sold in this
11 state by the dealer for consumption off the premises.

12 b. On a monthly basis, a dealer shall submit to the
13 department of revenue, in a form and manner determined by
14 the department, receipts indicating the number of beverage
15 containers sold by the dealer and the five-cent refund value
16 collected for each beverage container sold by the dealer
17 pursuant to paragraph "a". The department of revenue shall
18 credit monthly to the treasurer of state for deposit in the
19 refund value fund established in section 123B.8 the refund
20 value collected from dealers under this paragraph.

21 2. A consumer may redeem the refund value by returning
22 a beverage container to a redemption center. Upon return of
23 the empty beverage container, upon which a refund value has
24 been paid, to a redemption center and acceptance of the empty
25 beverage container by the redemption center, the redemption
26 center shall pay the amount of the refund value to the
27 consumer.

28 3. A redemption center shall dispose of beverage containers
29 by transporting or causing the transport of the beverage
30 containers to a recycling site.

31 4. On a monthly basis, a redemption center shall be
32 reimbursed by the division from the refund value fund
33 established in section 123B.8 the amount of refund value that
34 the redemption center has paid to consumers and the handling
35 fee. The division shall establish the handling fee by rule

1 in an amount that is one cent per beverage container, but
2 the division may establish accuracy standards to account for
3 discrepancies in the weight of recycled material and the number
4 of beverage containers the redemption center claims to have
5 been recycled.

6 Sec. 25. NEW SECTION. 123B.3 Refusal to accept containers.

7 A redemption center may refuse to accept any empty beverage
8 container that does not have stated on it a refund value as
9 provided under section 123B.4.

10 Sec. 26. NEW SECTION. 123B.4 Refund value stated on
11 container — exceptions.

12 1. Each beverage container sold or offered for sale in
13 this state by a dealer shall clearly indicate the refund
14 value of the container by embossing or by a stamp, label, or
15 other method securely affixed to the container. The division
16 shall specify, by rule, the minimum size of the refund value
17 indication on the beverage containers and require registration
18 of the universal product code for each beverage container in a
19 format required by the division.

20 2. A person, except a distributor, shall not import
21 into this state a beverage container that does not have
22 securely affixed to the container the refund value indication.
23 This subsection does not apply under any of the following
24 circumstances:

25 a. For beverage containers containing alcoholic liquor as
26 defined in section 123.3, subsection 5, the total capacity of
27 the containers is not more than one quart or, in the case of
28 alcoholic liquor personally obtained outside the United States,
29 one gallon.

30 b. For beverage containers containing beer as defined
31 in section 123.3, subsection 7, the total capacity of the
32 containers is not more than two hundred eighty-eight fluid
33 ounces.

34 c. For all other beverage containers, the total capacity of
35 the containers is not more than five hundred seventy-six fluid

1 ounces.

2 3. Subsections 1 and 2 do not apply to a refillable glass
3 beverage container that has a brand name permanently marked on
4 it and that has a refund value of not less than five cents,
5 to any other refillable beverage container that has a refund
6 value of not less than five cents and that is exempted by
7 the director under rules adopted by the commission, or to
8 a beverage container sold aboard a commercial airliner or
9 passenger train for consumption on the premises.

10 Sec. 27. NEW SECTION. 123B.5 **Redemption centers.**

11 To facilitate the return of empty beverage containers, any
12 person may establish a redemption center at which consumers may
13 return empty beverage containers and receive payment of the
14 refund value of such beverage containers.

15 Sec. 28. NEW SECTION. 123B.6 **Rules.**

16 The commission shall adopt, upon recommendation of the
17 division, rules necessary to carry out the provisions of this
18 chapter, subject to the provisions of chapter 17A.

19 Sec. 29. NEW SECTION. 123B.7 **Penalties.**

20 1. Except as provided in subsection 2, any person violating
21 the provisions of section 123B.2 or 123B.4, or a rule adopted
22 under this chapter, shall be guilty of a simple misdemeanor.

23 2. Any person who does any of the following acts is guilty
24 of a fraudulent practice under chapter 714:

25 a. Collects or attempts to collect the refund value on a
26 beverage container a second time, with the knowledge that the
27 refund value has once been paid by the redemption center to a
28 consumer.

29 b. Manufactures, sells, possesses, or applies a false or
30 counterfeit label or indication that shows or purports to show
31 a refund value for a beverage container, with intent to use the
32 false or counterfeit label or indication.

33 c. Collects or attempts to collect a refund value on
34 a container with the use of a false or counterfeit label
35 or indication showing a refund value, knowing the label or

1 indication to be false or counterfeit.

2 *d.* Intentionally submits to the division a request for
3 reimbursement of refund value that does not accurately reflect
4 the number of beverage containers collected and recycled by a
5 redemption center for the period that the redemption center
6 seeks reimbursement.

7 3. As used in this section, "*a false or counterfeit label*
8 *or indication*" means a label or indication purporting to show
9 a valid refund value that has not been initially applied as
10 authorized by a distributor.

11 4. Subsection 2, paragraph "*a*", does not apply to empty
12 beverage containers that are intended to be refillable
13 and are in a standard of condition to be refillable by the
14 manufacturer, notwithstanding any standard for sanitization.

15 Sec. 30. NEW SECTION. 123B.8 Refund value payment program
16 — fund created.

17 1. The division shall establish and administer a refund
18 value payment program. The purpose of the program shall be to
19 administer payments of refund value to redemption centers after
20 the redemption centers accept empty beverage containers from
21 consumers. The program shall be administered in accordance
22 with rules adopted by the commission pursuant to chapter 17A.

23 2. A refund value fund is established in the state
24 treasury under the control of the division. The fund shall
25 consist of moneys deposited in the fund pursuant to section
26 123B.2. Moneys in the fund are appropriated to the division
27 for purposes designated in subsection 4. Notwithstanding
28 section 8.33, moneys in the fund that remain unencumbered or
29 unobligated at the close of a fiscal year shall not revert
30 but shall remain available for expenditure for the purposes
31 designated. Notwithstanding section 12C.7, subsection 2,
32 interest or earnings on moneys in the fund shall be credited
33 to the fund.

34 3. A bottle bill cash reserve account is established within
35 the refund value fund. Moneys in the refund value fund on July

1 1, 2024, shall be deposited in the account. The division shall
 2 use moneys in the account in the event that the other moneys in
 3 the refund value fund are insufficient to issue reimbursement
 4 and handling fees to redemption centers. At the end of each
 5 fiscal year, the account shall be replenished to the original
 6 amount deposited on July 1, 2024, from the other moneys in the
 7 refund value fund if such other moneys are available.

8 4. Moneys in the fund shall be used by the division for all
 9 of the following purposes:

10 a. Issuing reimbursement of refund value to a redemption
 11 center after the redemption center accepts empty beverage
 12 containers from and pays the refund value to a consumer.

13 b. Issuing the handling fee to a redemption center for each
 14 beverage container that a redemption center accepts from a
 15 consumer.

16 c. Covering administrative costs to administer the refund
 17 value payment program in an amount determined by the commission
 18 by rule.

19 d. Annually transferring an amount of moneys to the taxpayer
 20 relief fund established in section 8.57E that is equal to the
 21 amount of unclaimed deposits at the end of the fiscal year
 22 minus the amount necessary to cover administrative costs, the
 23 amount necessary to replenish the bottle bill cash reserve
 24 account, and the amount in the bottle bill cash reserve
 25 account.

26 e. Replenishing the bottle bill cash reserve account when
 27 necessary.

28 Sec. 31. NEW SECTION. 455D.9B Disposal of beverage
 29 containers at sanitary landfill prohibited.

30 The final disposal of beverage containers, as defined in
 31 section 123B.1, including the final disposal of beverage
 32 containers that used to contain alcoholic liquor as defined in
 33 section 123.3, subsection 5, by a redemption center, as defined
 34 in section 123B.1, in a sanitary landfill is prohibited.

35 Sec. 32. EFFECTIVE DATE. This division of this Act takes

1 effect January 1, 2023.

2 EXPLANATION

3 The inclusion of this explanation does not constitute agreement with
4 the explanation's substance by the members of the general assembly.

5 Under current law, a consumer may return an empty beverage
6 container upon which a 5-cent refund value has been paid to a
7 dealer or a redemption center. When a distributor collects
8 empty beverage containers from a dealer, dealer agent, or
9 redemption center, the distributor reimburses the dealer,
10 dealer agent, or redemption center the refund value plus a
11 1-cent handling fee for each empty beverage container. Current
12 law also allows any person to establish a redemption center
13 that serves a dealer if it is approved by the department of
14 natural resources. Any person may also establish an unapproved
15 redemption center.

16 DIVISION I. This bill provides that a dealer may choose
17 to not accept beverage containers if a redemption center is
18 located within a 20-mile radius of the dealer. The bill
19 makes numerous changes throughout Code chapter 455C to change
20 instances of "dealer" to "participating dealer", remove
21 obsolete language, and stylistically and grammatically update
22 the Code chapter.

23 This division of the bill takes effect July 1, 2022.

24 DIVISION II. The bill repeals the current beverage
25 container control law (Code chapter 455C) on January 1, 2023,
26 and makes corresponding changes.

27 DIVISION III. The bill creates a new Code chapter 123B
28 to place beverage container control provisions under the
29 authority of the alcoholic beverages division (ABD) within
30 the department of commerce. Under the new beverage container
31 control provisions, a dealer shall submit to the department
32 of revenue on a monthly basis receipts indicating the number
33 of beverage containers sold by the dealer and the 5-cent
34 refund value collected for each beverage container sold by
35 the dealer. The department of revenue shall credit monthly

1 to the treasurer of state for deposit in the refund value
2 fund established in the bill the refund value collected
3 from dealers. A consumer may redeem the refund value by
4 returning an empty beverage container to a redemption center.
5 After payment of the refund value by a redemption center to
6 a consumer, the redemption center shall dispose of empty
7 beverage containers by transporting the beverage containers to
8 a recycling site. After a redemption center provides proof
9 of recycling, ABD shall reimburse the redemption center the
10 refund value paid to consumers and a handling fee provided by
11 rule. The reimbursement shall be paid from the refund value
12 fund established in the bill. This division of the bill does
13 not require a distributor to pick up beverage containers and
14 reimburse redemption centers.

15 The bill requires ABD to establish and administer a refund
16 value payment program for the purpose of administering payments
17 of refund value to redemption centers. The bill establishes
18 a refund value fund in the state treasury under the control
19 of the division. Moneys in the refund value fund may be used
20 for purposes of issuing refund value and the handling fee to a
21 redemption center, covering administrative costs to administer
22 the program, annually transferring moneys to the taxpayer
23 relief fund, and replenishing the bottle bill cash reserve
24 account established within the fund.

25 The bill requires ABD to require by rule registration of the
26 universal product code for each beverage container in a format
27 required by ABD. The bill requires the alcoholic beverages
28 commission, at the recommendation of ABD, to adopt rules to
29 carry out this division of the bill.

30 The bill provides penalty provisions primarily based on
31 simple misdemeanors and fraudulent practices in current Code
32 chapter 455C, but also creates the fraudulent practice of
33 intentionally submitting to ABD a request for reimbursement
34 of refund value that does not accurately reflect the number
35 of beverage containers collected and recycled by a redemption

1 center for the period that the redemption center seeks
2 reimbursement.
3 This division of the bill takes effect January 1, 2023.